

---

# Program Memorandum Intermediaries/Carriers

Department of Health & Human  
Services (DHHS)  
Centers for Medicare &  
Medicaid Services (CMS)

---

Transmittal AB-01-184

Date: DECEMBER 13, 2001

---

This Program Memorandum re-issues Program Memorandum AB-00-131, Change Request 1476 dated December 22, 2000. The only change is the discard date; all other material remains the same.

## CHANGE REQUEST 1476

**SUBJECT: Clarifications to Implementation of the Ambulance Fee Schedule**

This Program Memorandum (PM) clarifies topics covered in PM AB-00-88 and PM AB-00-118. We plan to issue corrected PMs so that the clarifications will be in the appropriate PM. We believe this should alleviate questions and concerns.

To bill mileage, continue to use codes A0380 and A0390 until further notice from CMS. The new HCPCS code for mileage should not be used until the implementation of the transition to the fee schedule.

Attached are the updated formats for the Zip Code File and the Fee Schedule File. Please note the addition of two new fields at the end of each file. These fields were added at the request of one of the system maintainers. On page 20 of PM AB-00-88, the files were named with the letter "O" instead of a zero "0." The names of the files should start with MU00 (double zero). These files may be retrieved at any time and will reside indefinitely for your access. They will be updated with each quarterly CWF update.

The address for the files is as follows:

Zip Code File – [MU00.AAA2390.ZIP.LOCALITY](mailto:MU00.AAA2390.ZIP.LOCALITY)

Fee Schedule File – [MU00.AAA2390.AMBFS.FINAL.V10](mailto:MU00.AAA2390.AMBFS.FINAL.V10)

### Carrier Billing

In PM AB-00-88 on page 10 under the coding instructions for item 23 for electronic billers, we have the instructions for the X12 837 (4010). Add the following for X12N 837 (3051) and (3032): "Electronic billers using X12N 837 (3051) and (3032) are to report the origin information (i.e., the zip code of the point of pick up) in loop 2310.A (Facility Address). NM1 is required. NM101 will have the value '61' (Performed At) and NM102 will have the value '2' (non-person entity). The remaining fields are not required. N2 (Facility Name) is not required. N3 (Facility Address) is not required. N4 (Facility City, State, Zip) is required. N401 is used to report the city name. N402 is used to report the State Code and N403 is used to report the zip code."

PM AB-00-118 on page 3, paragraph three should be deleted. The correct paragraph that conveys the CMS policy for suppliers and their billing methods is as follows: "If practical, carriers may convert all suppliers to one billing method. This can be done immediately or beginning with the implementation of the transition to the fee schedule. By the implementation of the full fee schedule, all suppliers will bill only one method for all services."

**CMS-Pub. 60AB**

## Intermediary Billing

As stated in PM AB-00-88, Implementation of the Ambulance Fee Schedule, for claims with dates of service on or after January 1, 2001, institutional providers must report revenue code 540 for all ambulance services. The HCPCS code (definition) will identify the type of ambulance service rendered, i.e., ALS, BLS, emergency, non-emergency, air transport differentiating between fixed wing and rotary wing, and mileage codes.

The appropriate way for Medicare contractors to provide claims information to other insurers is through the routine exchange of Medicare data pursuant to trading partner agreements. Both the flat and X12 coordination of benefits files provide for the identification of air ambulance through HCPCS codes. HCPCS coding differentiates between fixed wing and rotary wing for which different reimbursement applies for Medicare and may for other payers.

As a clarification to PM AB-00-88, page 19 under NOTE: There are instances where the provider does not incur any cost for mileage e.g., if the beneficiary is pronounced dead after the ambulance is called but before the ambulance arrives at the scene. In these situations, providers report the base rate ambulance trip and mileage as separate revenue code lines. Providers report the base rate ambulance trip in accordance with current billing requirements. For purposes of reporting mileage, they must report the appropriate HCPCS code, modifiers, and units. For the related charges, providers report \$1.00 in non-covered charges. Intermediaries should assign ANSI Group Code OA to the \$1.00 non-covered mileage line, which in turn informs the beneficiaries and providers that they each have no liability.

**Inform your providers/suppliers of these corrections/clarifications.**

**The *effective date* for this PM is December 30, 2000.**

**The *implementation date* for this PM is January 1, 2001.**

**The instructions should be implemented within your current operating budget.**

**| This PM maybe discarded January 1, 2003.**

**If you have any questions, contact Dolores Crujeiras at (410) 786-7169 for carrier questions; Nichole Atkins at (410) 786-8278 for FI questions; and Glenn McGuirk at (410) 786-5723 for payment policy questions.**

Attachments

**Attachment A**  
**Ambulance Fee Schedule**  
*(Record Description)*

<b>Field Name</b>	<b>Position</b>	<b>COBOL Format</b>	<b>Description</b>
1. HCPCS	1-5	X(05)	Healthcare Common Procedure Coding System
2. Carrier Number	6-10	X(05)	
3. Locality Code	11-12	X(02)	
4. Base RVU	13-18	s9(4)v99	Relative Value Unit
5. Non-Facility PE GPCI	19-22	s9v9(3)	Geographic Adjustment Factor
6. Conversion Factor	23-27	s9(3)v99	Conversion Factor (ground = 157.52, air = 1.0)
7. Urban Mileage/ Base Rate	28-34	s9(5)v99	Urban Payment rate or Mileage rate (determined By HCPCS)
8. Rural Mileage/ Base Rate	35-41	s9(5)v99	Rural Payment rate or Mileage rate (determined By HCPCS )
9. Current Year	42-45	9(04)	YYYY
10. Current Quarter	46	9(01)	Calendar Quarter - value 1-4
11. Filler	47-80	X(34)	Future use

**ZIPCODE To Carrier/Locality  
Mapping File  
(Record Description)**

<b><u>Field Name</u></b>	<b><u>Position</u></b>	<b><u>COBOL Format</u></b>	<b><u>Description</u></b>
1. State	1-2	X(02)	Alpha State Code
2. ZIPCODE	3-7	X(05)	Postal ZIPCODE
3. Carrier	8-12	X(05)	Medicare Part B Carrier Number
4. Locality	13-14	X(02)	Pricing Locality
5. Rural	15	X(01)	R = Rural ZIPCODE
6. Year	16-19	X(04)	Pricing Year
7. Quarter	20	X(01)	Release Quarter